

Giant of mining industry



SIR ARVI PARBO
Mining executive
Born: Tallinn, Estonia,
1926
Died: Melbourne,
aged 93

Sir Arvi Parbo was a postwar refugee from Estonia who rose to become a giant of the Australian mining scene, at one time chairing Alcoa, BHP and his beloved Western Mining Corporation.

He was born in Tallinn, Estonia, on February 10, 1926, and fled to Germany in 1944 to escape invading Russian troops.

There, Parbo qualified in mining engineering but a lack of opportunity caused him to migrate to Australia.

When he arrived in Melbourne in 1949, he had little English and even less money, qualifications that were not recognised and a two-year government contract to work off.

Time in an Adelaide quarry and a car plant while studying English at night fulfilled the contract, and he enrolled in mining engineering at the University of Adelaide.

When the now twice-qualified 29-year-old mining engineer graduated with honours in 1956, he thought he was too old to succeed at an established mining company.

Instead, he joined the then-small Western Mining where "opportunities might be thrown up more quickly" and started at its Copperhead mine near Bullfinch. One of those opportunities was a stint as an assistant to the managing director in Melbourne in 1960.

He returned to WA four years later to be the company's senior man in the Goldfields.

Parbo was in charge of operations at Kambalda when Western Mining discovered nickel in 1966, kicking off the notorious nickel boom. Racing to market while prices were still sky-high, WMC was producing concentrate the next year.

"That was just over 18 months; you couldn't possibly do that today, you'd be lucky to do it in six or seven years," he said.

In 1971 Parbo became managing director of Western Mining, going from a graduate in Bullfinch to Melbourne's corporate elite in 15 years.

Three years later he also took the role of chairman.

"It would have been an unrealistic expectation or ambition when I started but it just happened," he said.

Except of course it did not just happen, and the hard work continued.

"It's a full-time job — anything up to 100 hours a week," he said of his time at the top of WMC.

The mining executive was knighted in 1979. "The growth of the Australian mining industry and Western Mining made me clearly visible, but by no means unique," he said.

"There are probably many people more deserving, but they might not be so visible."



Sir Arvi Parbo, with his wife Saima, in 2000.

Sir Arvi led the company until he retired in 1999.

His legacy is obscured for contemporary followers of the mining industry as Western Mining Corporation disappeared in 2005.

BHP beat Swiss-based Xstrata in a bidding war for the company's prized Olympic Dam copper, uranium, gold and silver mine in South Australia.

The importance of WMC lives on not just at Olympic Dam but also BHP's newly attractive Nickel West operation, Alumina Limited's 40 per cent stake in Alcoa's operations in Australia and Cameco's potential Yeelirrie uranium mine.

Sir Arvi was not afraid to speak his mind on public issues that affected the mining industry. "I think business has been at fault in not speaking out," he said in 1985. "The traditional Australian attitude has been 'leave it to the politicians... we are businessmen'."

"The result has been a public policy which is lopsided."

He often clashed with environmentalists and was a strong advocate for nuclear power and the need for Australia to maintain international competitiveness.

In the 1980s, when Bob Hawke was prime minister, he spoke up for less bureaucracy, lower taxes, wage control and the need to reduce government debt.

His 1500 salaried employees endured a wage freeze in 1987 after what was then Australia's sixth-largest company experienced a profit slump. He argued that the higher-paid employees sacrificed the most as

they had forgone higher pay increases.

In 1988 he called for the entire Australian mining industry to be exempt from company tax, a privilege the gold industry enjoyed until 1991. In that same year he became chairman of BHP and backed then Opposition leader John Howard's right to question the rate of Asian immigration.

Fortescue Metals Group chairman Andrew Forrest said Sir Arvo truly walked the world stage. "On top of this, he was one of the most encouraging people I've ever met," he said.

BHP chief executive Andrew Mackenzie credited Sir Arvi with the discovery of Olympic Dam "one of the highest quality ore bodies in the world", he said.

"He was an advocate for mining investment and for Australia to have trade links in Asia long before it was fashionable."

His influence spread well beyond mining, and he served on the boards of insurance companies and banks and is a member of Kalgoorlie's mining hall of fame.

Premier Mark McGowan said Sir Arvi was a giant of Australia's resources industry. "He was an integral player in developing the industry in WA," he said.

Chamber of Minerals and Energy chief executive Paul Everingham said Sir Arvi was a hero of mining and a champion of innovation.

Sir Arvi Parbo died in Melbourne on May 9, aged 93. He is survived by his wife Lady Saima and his three children.

Peter Milne

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